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# the **MINORITYAgVOCATE**<sup>TM</sup>



### OCTOBER NEWSLETTER

# VOL 1 ISSUE 7





3

Agripreneur Spotlight Series

OCTOBER NEWSLETTER '23

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#### FREEDMEN HEIRS FOUNDATION HIGHLIGHTS



# CALLING ALL AGRIPRENEURS

If you are are interested in being featured in an upcoming newsletter issue as a Black farmer and/or agripreneur, please submit <u>this form</u> or send an email to <u>genesis@freedmenheirs.org.</u>

### A MESSAGE FROM THE EXECUTIVE DIRECTOR

Dear Freedmen Friends and Allies,

At Freedmen Heirs Foundation, we recognize that agriculture is not just about cultivating crops or raising livestock; it's about feeding nations and sustaining economies all while navigating climate change, shifting market demands, and technological advancements. However, we also recognize the historical and

contemporary challenges faced by minority and socially disadvantaged farmers. The U.S. agriculture industry is interwoven with complex issues regarding race, economics, and history. As we move forward into the fourth quarter of the year, let's continue to be intentional about the crucial work addressing systemic barriers and put forth innovative and socially responsible solutions. We are committed to ensuring that the farming community becomes more inclusive, equitable, and just. Not only is it morally right, but it is essential for the industry's long-term sustainability and growth. We invite each of you to join us in this mission.

Please enjoy this month's issue of the Minority AgVocate.

Kind regards,

Seanicaa (dwards Herron



#### FREEDMEN HEIRS FOUNDATION HIGHLIGHTS

# JOIN US IN MAKING A DIFFERENCE

Black farmers confront daunting obstacles every day that lead to land loss, jeopardized livelihoods, and a further widened wealth gap.

We have recently launched our second fundraising initiative with a mission to intensify our outreach efforts by increasing our capacity to deliver premier services and direct support to Black farmers and agriculture stakeholders.

Collectively, we can achieve significant progress in advancing social justice, promoting economic freedom, and fostering sustainable growth; ultimately empowering Black farmers to achieve their highest potential. Your contribution is integral to expanding our impact.

Kindly donate by visiting <u>this link</u> or reaching out to us at <u>give@freedmenheirs.org</u>.

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#### FREEDMEN HEIRS FOUNDATION HIGHLIGHTS



# SOCIAL MASS BALANCETM

### Diversifying the agribusiness supply chain together.

### THE CHALLENGE

Black farmers in the U.S. have been excluded from major food and agri-business supply chains, resulting in missed opportunities for American agriculture. Progressively, food and agri-business companies are recognizing the potential to influence environmental and social outcomes through supply chain diversification. However, a major barrier across the U.S. agri-food sector has been finding a way to appropriately incorporate more Black farmers successfully and intentionally into their supply chains.

#### OUR RESPONSE: SOCIAL MASS BALANCE™

Derived from the mass balance concept, Freedmen Heirs Foundation's Social Mass Balance™ (SMB™) program is a comprehensive quantitative approach that integrates diversity, equity, and inclusion metrics in the sourcing, tracking, and output of agricultural inputs within a system.

#### THE SMB™ APPROACH: HOW IT WORKS AND IMPACT

The SMB<sup>™</sup> program will allow agribusinesses the ability to increase the share of agricultural inputs sourced by Black farmers into supply chains without separately processing volumes against other sourced products of the same quality, thus minimizing processing, production, and administrative costs. This methodology contributes to a more inclusive, efficient, and equitable processing and supply chain. The use of the social mass balance concept facilitates the ability to grow and diversify current and future supply channels while building strong, sustainable, diverse partnerships.



Contact us for more information.



info@freedmenheirs.org

#### SUCCESSION PLANNING

### Developing A Succession Plan Without a Family Successor

Written by: Patrice Lazard, Freedmen Heirs Foundation Project Manager

Succession planning can be difficult for some farm owners and the task can be even more daunting when there is no clear successor to take over the family farm. However, a farmer without a successor should still prioritize the successful transfer of farm ownership.

Several considerations, such as using a trusted team of professionals, planning early, and thinking of the plan long-term, remain the same when succession planning with or without a family successor in mind. This article highlights suggestions a farmer can use to make planning a bit easier if a family successor cannot be identified.

# **1**. Transfer ownership to a new and beginning farmer.

An option farmers may consider when thinking of a succession planning strategy is transferring ownership to a new and beginning farmer. According to a <u>survey</u> conducted in Michigan, a small proportion of farmers without a successor were willing to impart farming expertise to new and beginning farmers. This transfer of knowledge included participating in mentorship apprentice programs that engage beginning farmers in or outside of the family. This opportunity allows farmers to share the knowledge they've obtained through on-farm experience with new farmers. It also allows the farmer to ensure that the new tenant has the capability and passion to run the farm.



#### 2. Leasing land and other assets to tenants

Access to land is one of the most difficult barriers to entry for young farmers seeking to enter the agriculture industry. According to a 2022 survey completed by the National Young Farmer Coalition, 59 percent of young farmers said that finding

#### SUCCESSION PLANNING

affordable farmland was either very or extremely challenging. Additionally, land prices have reached <u>record highs</u> this year. Higher real estate values are suitable for farmers who currently own land and have intentions to sell, but that is not the case for new and beginning farmers that can't afford to make land purchases given current prices per acre, higher interest rates, and limited access to capital.

Leasing land and other assets like equipment to tenants is an option that includes benefits for both the farmer and the tenant. It provides the farm owner an opportunity to have added income during retirement years while being relieved of production and marketing decisions. It also gives the tenant an affordable way to operate the farm which can be used as a "trial period" without long-term commitments. If the farmer is a new or beginning farmer, leasing land allows the tenant to have first-hand experience of farm ownership and helps to determine if farming is a career they want to pursue. Leasing the farm to a tenant can also spark conversations for future lease-to-own opportunities.



#### 3. Donate the farm to a land trust.

Land trusts are legal entities created to preserve and protect land from the threat of development. These organizations ensure the land maintains its natural qualities and remains available for farming or other conservation uses. Donating a farm to a land trust is a great way to ensure a farm's legacy continues and provides an affordable way for farmers to obtain farmland. Donating a farm to a land trust offers valuable tax advantages in the form of tax deductions, estate tax benefits, and exemption from capital gains tax if the farm is sold.

If a farmer is considering donating their farm to a land trust, they must discuss this approach with their succession team, reviewing how the donation process works, the types of donations that can be made, and what benefits they may be entitled to. Click <u>here</u> to learn about the different types of land trusts available near you.

#### 4. Sell the farm.

If a farmer is unable to use the succession strategies listed above, an alternative option is to sell the farm. Selling the farm will result in an immediate return on their investment and relinquishes them from the responsibility of ownership altogether. The profit a farmer makes from selling their farm can also be

#### SUCCESSION PLANNING

used for other investment opportunities during their retirement years.

While selling a farm may be the best choice given the financial strategy and retirement goals of the farmer, it provides an opportunity for anyone – individual or corporate investor – to purchase the farm. This opens the door for <u>investment</u> <u>opportunities</u> led by developers to convert land to non-farm uses like communities, business centers, and other development projects.

While it may be good for the local economy, it contributes to the decline of land ownership among farmers, counteracting the movements made by organizations to preserve and restore farmland. It also requires the seller to pay capital gain taxes on profits made from the sale which could be excessive given the appreciation of land values and depreciation of equipment.

Although this list isn't exhaustive, it provides farmers with options they may not have considered before; however, it should not be relied on as a replacement for sound legal and financial advice. To ensure that the succession plan is comprehensive and legally sound, it is recommended that a farmer seek professional assistance. Consulting with farm law and finance experts can help ensure that the succession plan considers all relevant factors and is tailored to the individual needs of the farmer and current circumstances.

#### **References and Resources**

<u>MSU | The Michigan Farm Succession Study:</u> <u>Findings and Implications</u>

<u>American Farm Bureau Federation | Capital Gains</u> <u>Taxes.</u>

<u>National Young Farmers Coalition | 2022</u> <u>National Young Farmers Survey Report</u>

American Farm Bureau Federation | U.S. Agricultural Land Values and Cropland Cash Rents Reach New Highs

<u>Federal Reserve Bank of Kansas City | Growth in</u> <u>Farmland Value Continues, but Higher Rates</u> <u>Temper the Outlook</u>

<u>American Farmland Trust | Farmland Protection</u> <u>Directory</u>

#### AGRIPRENEUR SPOTLIGHT

# Addressing An Inequitable Food System

Dazmonique Carr brings Black-grown produce to food insecure neighborhoods

Dazmonique Carr is the owner and founder of Deeply Rooted Produce (DRP), a zero-waste mobile grocery store and 2-acre farm on the East side of Detroit, MI. While volunteering as a student at Wayne State University, Dazmonique realized the need for fresh fruits and vegetables in her local community. This lack of access to healthy produce prompted her to fulfill the need and launch Deeply Rooted Produce in 2017.

DRP specializes in economic and environmental sustainability, wholesale distribution, and community building and group economics. With a mission to provide fresh produce options while supporting Black, Indigenous, and People of Color (BIPOC) farmers, DRP advocates for farmers by helping them gain equitable access to land, resources, and markets.

Deeply Rooted Produce distributes fresh goods to relevant market channels and delivers them to the doorsteps of local community members. Through strategic partnerships, DRP supports local BIPOC farmers by extending their reach while decreasing food waste.





Each year, the organization finds new and innovative ways to reach the needs of the community and close the gap between farmers and consumers. DRP hosts local gatherings and nutrition education workshops that support

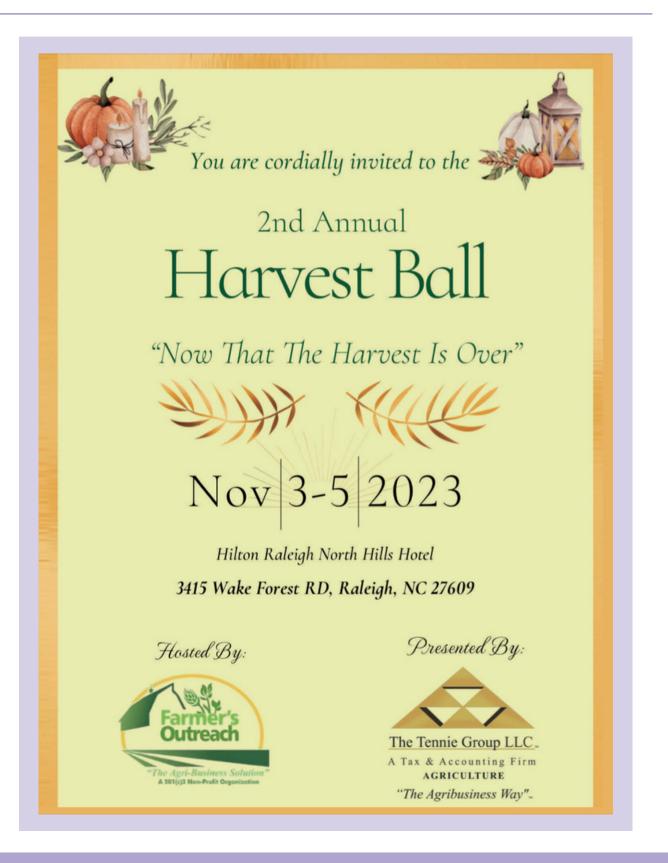
sustainable community efforts.

Through education, advocacy, and community engagement, DRP aims to create a sustainable and just food system where BIPOC farmers can thrive, grow nutritious food, and distribute their harvest while fostering food security and cultural resilience.

<u>For more information on Deeply Rooted Produce,</u> visit <u>www.deeplyrootedproduce.com.</u>

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#### UPCOMING EVENTS



**OCTOBER NEWSLETTER '23** 

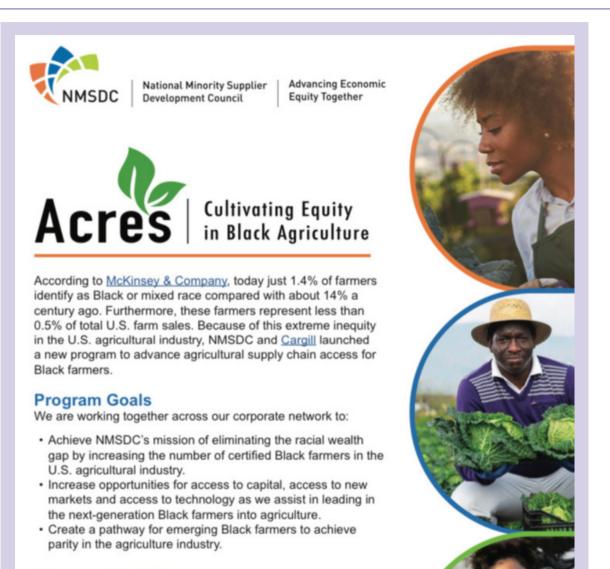
#### UPCOMING EVENTS



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#### FARMER RESOURCES



#### Program Structure

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**Learning program** - selected participants complete a curriculum focused on growing their capacity to take on major national contracts with corporate members.



Strategic business support - At the end of the program, farmers will have a corporate mentor and their NMSDC.

### LEARN MORE



Interested in becoming a sponsor? Contact Maureen Simonette at <u>maureen.simonette@nmsdc.org</u>.

Questions regarding Acres? Contact Amber Smith at amber.smith@nmsdc.org.

#### FARMER RESOURCES

#### **Program Deadlines**

Inflation Reduction Act Assistance for Producers Who Experienced Discrimination in USDA Farm Loan Programs application deadline has been EXTENDED. Section 22007 of the Inflation Reduction Act (IRA) provides \$2.2 billion in financial assistance for farmers, ranchers, and forest landowners who experienced discrimination in USDA's farm lending programs prior to January 1, 2021. The application process is open from July 7 – January 13, 2024. Applications for this program are free. The program does not require a lawyer, and program staff are available to provide free help. Visit <u>www.22007apply.gov</u> to find out more information regarding this program and locate available assistance in your area.

**USDA is accepting applications for the Organic Certification Cost Share Program (OCCSP).** The application deadline is **October 31, 2023**. OCCSP provides cost-share assistance to producers and handlers of agricultural products who are obtaining or renewing their certification under the <u>National Organic Program</u> (NOP). To learn more about this program and how to apply, click <u>here</u>.

**County Committee Elections.** Ballots for this year's election will be mailed to eligible voters on **November 6, 2023**. Contact your local Farm Service Agency (FSA) to verify your eligibility to ensure your ballot is received on time. For more information on the election, election timeline, and frequently asked questions, click <u>here</u>.

Inflation Reduction Act Assistance for Distressed Borrowers is accepting requests for Cash Flow-Based Assistance and Extraordinary Measures Assistance. Section 22006 of the IRA provided \$3.1 billion for USDA to provide relief for distressed borrowers with certain Farm Service Agency (FSA) direct and guaranteed loans and to expedite assistance for those whose agricultural operations are at financial risk. Learn more about the programs <u>here</u>. Requests for assistance must be received by **December 31, 2023** and can be submitted in person at a local Farm Service Agency office or online.

#### FARMER RESOURCES

**Emergency Assistance for Livestock, Honey Bees, and Farm-raised Fish (ELAP) is available.** ELAP assistance is provided for losses not covered by other disaster assistance programs authorized by the 2014 Farm Bill and the Bipartisan Budget Act of 2018, such as losses not covered by the Livestock Forage Disaster Program (LFP) and the Livestock Indemnity Program (LIP). More information regarding these programs can be found in the Farmer Resource section of this newsletter. The deadline to request all ELAP assistance for 2023 calendar year losses is **January 30, 2024**. For more information regarding the ELAP program, click <u>here</u>.

**USDA's Food Safety Certification for Specialty Crops Program (FSCSC) is accepting applications.** This program assists specialty crop operations that incur eligible on-farm food safety program expenses related to obtaining or renewing a food safety certification in calendar years 2022 and 2023. The deadline to apply for FSCSC assistance for calendar year 2023 is **January 31, 2024**. If you think you qualify for this program and want to learn more, click <u>here</u> to learn about eligibility.

**Livestock Forage Disaster Program (LFP):** provides compensation to eligible livestock producers who have suffered grazing losses due to drought or fire on land that is native or improved pastureland with permanent vegetative cover or that is planted specifically for grazing. Click <u>here</u> for more information and eligibility requirements.

**Livestock Indemnity Program (LIP):** LIP provides benefits to livestock producers for livestock deaths in excess of normal mortality caused by adverse weather or by attacks by animals reintroduced into the wild by the Federal Government. For more information, click <u>here</u>.

**Non-insured Crop Disaster Assistance Program (NAP):** NAP provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters. Visit this <u>link</u> for more details.

#### FARMER RESOURCES

**The Tennie Agricultural Group, LLC:** Offers agricultural, payroll, and corporate structure with the commitment to providing clients with information and resources that will help them build a sound future. Various agribusiness insurance policies are also available. Visit <u>www.tennieagriculturegroup.com</u> and <u>www.agribusinesscropinsurance.com</u> to learn more.

**USDA NASS Crop Production Report:** This monthly report contains crop production data for the U.S., including acreage, area harvested, and yield. The report also contains a monthly weather summary, a monthly agricultural summary, and an analysis of precipitation and the degree of departure from the normal precipitation map for the month. Link to current and archived reports can be found <u>here</u>. *Please note that October's monthly report will be released on October 12, 2023*.

**USDA Supply and Demand Report:** The World Agricultural Supply and Demand Estimates (WASDE) report is prepared and released by the World Agricultural Outlook Board (WAOB). This report is released monthly and provides annual forecasts for supply and use of U.S. and world wheat, rice, coarse grains, oilseeds, and cotton. The report also covers U.S. supply and use of sugar, meat, poultry, eggs, milk, and dairy products; as well as Mexico's supply and use of sugar. Link to current and archived reports can be found <u>here</u>. *Please note that October's monthly report will be released on October 12, 2023.* 

**Secretary of Agriculture Briefings** on the *World Agricultural Supply and Demand Estimates (WASDE)* report and the *Crop Production* report can be viewed live each month starting at 12:05 pm ET, following the release of the WASDE report, on <u>NASS's YouTube channel</u>.



#### FARMER RESOURCES

#### **Funding Opportunities**

**NRCS Conservation Innovation Grants (CIG):** Applications are being accepted for the CIG Classic and CIG On-Farm Trials Program. This competitive grants program supports the development of new tools, approaches, practices, and technologies to further natural resource conservation on private lands. Applications are due **October 30, 2023.** Click <u>here</u> to learn more.

**Farm Labor Stabilization and Protection Pilot Program (FLSP):** Applications are currently open for the FLSP Program which provides support for agricultural employers in implementing robust labor standards to promote a safe, healthy work environment for both U.S. workers and workers hired from northern Central American countries under the seasonal H-2A visa program. The application period closes **November 28, 2023**. For more information, click <u>here</u>.

**Rural Development Community Facilities Technical Assistance and Training (TAT)**: Applications are being accepted for the Community Facilities Technical Assistance and Training Disaster Repair Grant Program to provide technical assistance for repairing essential community facilities damaged by Presidentially declared disasters in calendar year 2022. Applications must be submitted by **November 29, 2023**. For more information, view this <u>fact sheet</u> and the <u>Notice of Funding Availability</u>.

#### **Employment Opportunity:**

**The Soil Health Institute Internship Program:** The Soil Health Institute will begin accepting applications for its 2024 internship program on **October 1, 2023**. The program is designed for students interested in soil health, regenerative agriculture, agricultural economics, and technology. Click <u>here</u> for more information on this program and to apply.

#### CONTACT US



Scan the above QR code or click <u>here</u> to make a financial contribution to our organization.

Your support is greatly appreciated!

If you would like to be featured in an issue of The Minority AgVocate<sup>™</sup>, please <u>complete this form</u>

OR

send us an email at <u>info@freedmenheirs.org.</u>

We would love to connect with you!

# NOMINATE AN AGRIPRENEUR

If you know someone deserving of recognition, nominate them to be featured by <u>completing</u> <u>this form</u>.

VISIT US ONLINE AT: WWW.FREEDMENHEIRS.ORG

@freedmenheirsfoundation

